

PUBLIC SERVICE COMMISSION

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April 24, 2017

MEMORANDUM

TO: The Chair and Members of the Commission

FROM: Toni Loper, Public Utility Analyst

SUBJECT: IN THE MATTER OF THE APPLICATION OF ATLANTIC BROADBAND ENTERPRISE, LLC FOR

A CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY TO PROVIDE TELECOMMUNICATION SERVICES WITHIN THE STATE OF DELAWARE (SUBMITTED

OCTOBER 18, 2016; FILED APRIL 18, 2017) - PSC DOCKET NO. 16-1018

Background

On October 18, 2016, Atlantic Broadband Enterprise, LLC ("Atlantic Broadband" or the "Company") filed an application (the "Application") with the Delaware Public Service Commission ("PSC" or the "Commission") for a Certificate of Public Convenience and Necessity ("CPCN") to provide facilities-based local exchange and competitive intrastate telecommunications services to the public within the State of Delaware. The Delaware Public Service Commission Staff ("Staff") has reviewed the Application to determine its compliance with Delaware Law and the Rules and Regulations promulgated in 26 *Del. Admin. C.* §4001.

Application

The Company's original filing was submitted on October 18, 2016, but the submitted Application did not meet the minimum filing requirements ("MFR's"). Staff requested the Company file the following additional documentation: a) a copy of the Delaware business license, b) a copy of the certificate of good standing, c) a copy of the certified financial statements current within 12 months of the filing, and c) proof of publication of the public notice in at least one (1) newspaper of general circulation, d) a signed, sworn verification for the original Application and for any subsequent filings in support of the Application.

Financial, Operational, Managerial and Technical Ability

The Company is a Delaware corporation with its principal place of business at 2 Batterymarch Park, Suite 205, Quincy, MA 02168. The Company provided proof issued by the Delaware Secretary of State and the Delaware Division of Revenue that it is legally authorized and qualified to do business in the State of Delaware.

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To demonstrate its financial capability, Atlantic Broadband provided officer verified and audited financial statements of its parent company, Cogeco Communications Inc., reflecting its financial status as of August 31, 2016. The Company provided the contact information for a Delaware Registered Agent listed in the Application as Corporate Service Company, Wilmington, DE.

The Company anticipates serving customers throughout the State of Delaware as permitted by law and Commission Order. The Company proposes to provide Ethernet Private Line, Ethernet Virtual Private Line, Ethernet LAN, and E-Dedicated Internet Access, as well as FlexTrunk service using Primary Rate Interface ("PRI") or Session Initiated Protocol ("SIP") services throughout the state to small, medium, and large businesses and institutions. To demonstrate its technical and operational capabilities, the Company provided Staff with management biographies of its principal officers.

Pursuant to 26 *Del. Admin. C.* §4001-4.3, a copy of the Application was provided to the Division of the Public Advocate, through the Commission's electronic filing system DelaFile. The Applicant provided Staff with the affidavits of publication which confirm public notice of the Application was published in the <u>Delaware State News</u> on March 1, 2017, and <u>The News Journal</u> on March 3, 2017. Staff reports that it received no formal comments or objections to the Company's Application for a CPCN.

<u>Tariff</u>

The Company did not provide initial tariff sheets or price sheets as required in 26 *Del. Admin. C.* §4001-4.5.1 as they do not provide switched access service which is the only service required to comply with this section.

Waiver

As part of its Application, the Company requested a waiver of the provisions of 26 *Del. C.* §208(b) so that it may maintain its books and records relating to its Delaware operations outside of the State of Delaware. Staff believes that the waiver request to maintain the Company's books and records outside of Delaware is reasonable and Staff recommends that the Commission grant the waiver request.

Staff Recommendation

Based on Staff's review and analysis, the Company has shown that it has the financial, operational, and technical means to provide telecommunications services in Delaware. Therefore, Staff recommends that the Commission grant Atlantic Broadband Enterprise, LLC a CPCN to provide telecommunications services within the State of Delaware.